



Rhode Island Division of Taxation

State of Rhode Island and Providence Plantations
Department of Revenue

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Advisory: Sales tax filing and reconciliation

In response to a number of requests from retailers and their advisers, the Rhode Island Division of Taxation is issuing the following advisory about sales and use tax filing obligations for January 2012. The advisory also includes answers to frequently asked questions.

Payments and returns

There is no change to the schedule for making sales and use tax payments and for filing sales and use tax returns. So if you are a quarterly filer, for example, you will still file your quarterly sales tax return and make your quarterly sales tax payment. The deadline for your fourth quarter payment and quarterly sales tax return is January 31, 2012. If you're a monthly filer, December's payment and return are due January 20, 2012.

Reconciliation

There is a change involving sales and use tax reconciliation. Under the old system, the reconciliation was done quarterly. But the Tax Division now requires an annual reconciliation. (The old quarterly reconciliation has been eliminated.) So if you held a Rhode Island sales tax permit in 2011, you must make that detailed sales tax accounting – the reconciliation – by January 31, 2012.

You must make the reconciliation on a special form. The Tax Division mailed the form in early fall to holders of sales tax permits. If you did not receive a copy, or you cannot find your copy, use a blank form, [available by clicking here](#).

You must complete and file the annual reconciliation form on paper; it cannot be filed electronically.

➤ *Please see next page for "Frequently Asked Questions"*

Frequently asked questions

Following are answers to some frequently asked questions regarding the annual reconciliation return.

Q: Do I still file a sales tax return for the month of December, or the quarterly return ending December 31?

The annual reconciliation return is in addition to the sales tax return. They are two separate things. File the sales tax return by its normal due date by reporting the amount of sales tax due with payment. The reconciliation portion of the quarterly return is no longer required to be filled out.

Q: Can the annual reconciliation return be filed online?

No. For the 2011 calendar year, the annual reconciliation must be filed on paper.

Q: How do I fill out the annual reconciliation return?

Start with the back of the return and fill in Schedule A, listing the gross sales on the applicable lines. Schedule B items are legal deductions from sales. If there is no specific listing for a deduction, fill in Line n, "Other."

Line o, "Total Deductions," is subtracted from Line 3, "Total," to arrive at Line 5, "Net Taxable Sales." Carry the result to page 1, Line A.

Q: If I owe less than one dollar (\$1.00), do I have to make payment?

No. A balance due under \$1.00 is considered a rounding issue and payment is not required.

Q: What if I have more questions?

Call the Tax Division's Excise Tax section at (401) 574-8955 (select option 2).

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